China Ludao Technology Company Limited

中 國 綠 島 科 技 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2023)

PROFIT WARNING

This announcement is made by China Ludao Technology Company Limited (the "**Company**" together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The board of directors of the Company (the "**Board**") wishes to inform shareholders of the Company (the "**Shareholders**") and potential investors that, based on the information currently available, the Group is expected to record a consolidated loss for the six months ended 30 June 2015 as compared with a profit after tax for the corresponding period last year. Such expected loss was primarily due to the recognition of the expenses related to the share-based payment (grant of share options in late June 2015) which a valuation is still being processed by a valuer. Excluding the profit and loss effect of the share-based payment, the Group had an increase in unaudited consolidated profit for the six months ended 30 June 2015 as compared to the corresponding period in 2014. In addition, the share-based payment will have no effect on the Group's operating cashflow for the six months ended 30 June 2015. The Board considers that the overall operational and financial position of the Group remains solid and the Company's prospect remains positive in the long-term.

As the Company has yet to finalise the interim results of the Group for the six months ended 30 June 2015, the information contained in this announcement is only a preliminary assessment by the Board based on the Company's management accounts and information currently available and is not based on any figure or information that has been reviewed by the Company's auditor or the Company's audit committee. The unaudited interim results announcement of the Company for the six months ended 30 June 2015 is expected to be published in August 2015.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

By Order of the Board
China Ludao Technology Company Limited
Yu Yuerong
Chairman and Executive Director

Hong Kong, 14 July, 2015

As at the date of this announcement, the Directors of the Company comprises Mr. Yu Yuerong, Mr. Han Jianhua, Ms. Pan Yili, Mr. Wang Xiaobing as the executive Directors, and Mr. Wong Chi Wai, Ms. Cho Mei Ting and Mr. Ruan Lianfa as the independent non-executive Directors.